GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1787
ANSWERED ON:25.11.2016
Hawala Transactions
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Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that funds are being tmnsmitted through hawala transaction and used for illegal activities including terrorism;
(b) if so, the reaction of the Government in this regard;
(c) the number of cases of hawala transaction reported along with action taken against the offenders during the last three years and the current year; and
(d) the corrective steps taken/proposed to be taken in this regard to check such practice?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(a) Yes, Sir.
(b) The Directorate of Enforcement takes action in the cases of Foreign Exchange violations including international Hawala transactions under the Foreign Exchange Management Act,1999(FEMA).
(c) & (d) The number of cases registered involving Hawala transactions by the Enforcement Directorate under Foreign Exchange Management Act, 1999(FEMA) during the last three Financial Years and Current Year is as follows:

Financial Year Cases registered under FEMA involving Hawala transactions

2013-14 75
2014-15 104
2015-16 138
2016-17 (As on 31. 10.2016) 109

The above cases may include a few cases relating to illegal activities and terrorism also.